

STATEMENT OF DARYL WOODARD  
(WOODARD TECH & INVESTMENTS LLC)

1. I am President of SageNet, an Oklahoma-based company providing wide area network ("WAN") technology to facilitate businesses' credit card processing services. SageNet is a subsidiary of Woodard Technology & Investments LLC.

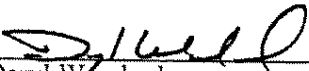
2. SageNet resells telecommunications services necessary to create a WAN capable of processing high-speed credit card transactions. Among other things, SageNet provides the interior wiring capable of processing the transaction. SageNet's customers are primarily Quick Service Restaurants such as Arby's and Taco Bueno. Another of SageNet's major customers is convenience store QuikTrip. As part of its service, SageNet purchases and resells telecommunications services from various carriers: inside SBC's territory, SageNet uses SBC's services; outside SBC's territory, SageNet uses Verizon, Qwest, or BellSouth's services. About 80-90% of SageNet's customers are located in SBC's region.

3. We have an excellent working relationship with SBC and usually do not actively solicit bids from competitors. However, I am aware that there are competitors capable of providing services to SageNet, including BellSouth, Qwest, and Verizon, as well as CLECs both in and out of SBC's region.

4. I have no concerns about the SBC and AT&T merger; I believe that the merger will be nothing but a good thing for SageNet. Among other things, I hope the merger will permit SageNet to obtain more services from SBC out-of-region. In particular, I anticipate that it will permit SBC to provide local DSL services outside its current territories, and that SBC will have better backhaul capabilities using AT&T's network.

*REDACTED – FOR PUBLIC INSPECTION*

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

  
\_\_\_\_\_  
Daryl Woodard  
SageNet

**STATEMENT OF PAT PATTERSON (MAZZIO'S CORPORATION)**

1. I am Vice President of Information Systems at Mazzio's Corporation. Mazzio's operates about 80 restaurants, including Mazzio's Pizza, mostly in Oklahoma, Texas, Arkansas, and Missouri. There are also a few company-owned locations in other states, such as New Mexico and Colorado. In addition, there are approximately 125 Mazzio's franchisee locations, though they handle their own telecommunications needs. I work at Mazzio's corporate headquarters in Tulsa.

2. I do not have any competitive concerns about the merger between SBC and AT&T. I view the merger as a combination of two large, stodgy companies, but Mazzio's will still have sufficient competitive options.

3. For example, Cox Cable is a primary provider of voice and data services to Mazzio's. We recently converted our data services from SBC to Cox. In addition, Mazzio's uses Cox for local voice service in the areas where Cox provides those services. Where Cox does not offer local voice service, Mazzio's uses SBC and others, including Charter Cable.

4. Similarly, Mazzio's recently switched its long distance voice service to SBC. In addition to Mazzio's former long distance provider, AT&T, other competitors who offer long distance services include MCI and Sprint, among others.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.



Pat Patterson  
Mazzio's Corporation

**Statement of Tom Kress – Journal Sentinel**

1. I am the director of information technologies at Journal Sentinel. I participate in decisions the company makes with respect to purchasing all telecommunications services. I have been in this position for one year.

2. Journal Sentinel publishes the Milwaukee Journal Sentinel, which serves as the only major daily newspaper for the Milwaukee metropolitan area. We are a subsidiary of Journal Communications, Inc., which is a holding company for six sister media and communications companies. Journal Communications is headquartered in Milwaukee, Wisconsin. The Journal Sentinel makes its own telecommunications decisions, and those decisions affect Journal Communications Corporate Office by the fact we operate out of the same central office building.

3. All of Journal Sentinel's facilities are in Wisconsin. We have distribution centers throughout the state, but our main focus is the six to seven county area surrounding Milwaukee. SBC is the most established provider in this metropolitan area, and therefore the bulk of our telecommunications services are with SBC. SBC provides all of our local data and voice services for our central office in Milwaukee, including PBX and a SONET ring that connects our office to our production facilities, which are about five miles from downtown. SBC also provides our Internet services through DS3s and T1s. We have a maintenance contract with SBC for our infrastructure. We use several mom and pop providers to serve the telecommunications needs of our distribution centers throughout the state, as our decision is primarily driven by price. We have some AT&T long distance voice services, but we tend to go with the local carrier at each location, including SBC in Milwaukee. Recently we have evaluated and are in the process of converting some of our Distribution Centers to VOIP services through Time Warner that currently have ISDN network terminations (as opposed to DSL). We expect the transition to be relatively seamless, and our services will be enhanced while saving money.

4. We are always looking for more cost effective and efficient telecommunications services, and absolutely use an RFP process to make certain that we seek and choose our best options. For the last couple of years we have worked with

INI, a consulting company that audits our phone bills for all of our locations and researches alternatives. We have made some adjustments as a result of their recommendations. For example, this consulting service is what led us to add VOIP technology with Time Warner at a number of our locations.

5. We do not think that the planned merger of SBC and AT&T will have a major impact on our existing telecommunications services, or for that matter will change the competitive landscape in our area. SBC is really the only copper based carrier in the metropolitan Milwaukee area and thus we will likely continue to use SBC for the bulk of our services. We have been very happy with SBC's network, services, and account team. One aspect about this merger that we find particularly exciting and interesting is the opportunity for SBC and AT&T together to improve their VOIP technology. From our perspective, currently only the cable companies have provided this service effectively, and in our region our options are limited to Time Warner. We will be keeping a very close eye on our options for VOIP services, and hope that this merger will bring more competition in the area.

I declare under penalty of perjury the foregoing is true and correct to the best of my knowledge.

  
Tom Kress  
Journal Sentinel

**STATEMENT OF TODD WILLINGER**

1. I am the Vice President of I/T Infrastructure Engineering at ServiceMaster. I have been in this position at ServiceMaster for just under 3 years. In this position I am responsible for all architecture, design, build, and deployment of infrastructure based technology. This includes all telecommunications, networks, servers, storage, desktop/mobile computing, and security services.

2. ServiceMaster is a company that provides outsourced residential services such as lawn service, pest control, HVAC, plumbing, home warranty and housekeeping. It is one of the only national providers of these vertical services. In this capacity, ServiceMaster purchases various voice and data services from multiple providers. These services include local access, LD, wide area networks, and other data transport services. The vast majority of ServiceMaster's telecommunications purchased are with SBC and AT&T. SBC provides ServiceMaster with outbound LD service nationwide and local access service within its' 13 state footprint, while AT&T provides data transport service and in-bound toll service. The remaining local access service outside of SBC's footprint is provided by BellSouth, Verizon, Qwest and number of CLEC's.

3. A good example of ServiceMaster's experience with the telecommunications industry occurred at the end of 2004. At this time, ServiceMaster sent out an RFP to multiple telecommunications carriers for all of the outbound LD and inbound toll service that it purchases. We sent the RFP to 6 carriers: AT&T, SBC, Sprint, MCI, Qwest, and BellSouth. We could have sent the RFP to 15 or 20 more carriers, carriers that would include Broadwing, Global Crossing and Level 3, however we limited the bidding for these services to 6 carriers to minimize the workload involved in analyzing the responses. AT&T was awarded all of ServiceMaster's toll service and wide area network, while SBC was chosen as the outbound LD service provider.

4. Currently in the marketplace there are more than a sufficient number of alternative telecommunication providers for all types of services. This competitive environment will not be endangered by the proposed merger of SBC and AT&T. We view these two companies as complementary in the provisioning of IXC and local services. Today, there is excess capacity in the industry that consolidating two companies which provide complementary services would benefit both suppliers and consumers. Following the proposed merger, there will continue to be more than a sufficient number of competitors in the telecommunications market even with additional M&A activities within this industry.

I declare under penalty of perjury the foregoing is true and correct to the best of my knowledge.



Todd Willinger

**STATEMENT OF GENE KINCY (D.R. PARTNERS/SOUTHWEST TIMES)**

1. I am the publisher of the Southwest Times Record. Part of my job involves working with the IT department to make the Southwest Times' telecommunications decisions. The Southwest Times is one of approximately 24 publications published under the corporate umbrella of Stevens Media Group, which is headquartered in Las Vegas. In addition to the Southwest Times, the Stevens Media publications include the Las Vegas Review Journal, The Hawaii Tribune-Herald and West Hawaii Today, and The Morning News (the Southwest Times' sister publication in Northwest Arkansas). Stevens Media Group is owned by Stevens, Inc., which is headquartered in Little Rock, Arkansas.

2. The Southwest Times is made up of two offices located in Fort Smith, Arkansas, as well as a printing facility. SBC is our primary telecommunications carrier, although we obtain cell service from ALLTEL and use microwave service provided by New Roads Technology to send our newspages from the office to the pressroom.

3. Before our switch to microwave, we had obtained high speed lines provided from our corporate office in Las Vegas, as part of the corporate wide area network (WAN). We transitioned to microwave about 5 years ago, when we started producing pages for The Morning News and when New Roads approached us with the microwave option.

4. The Stevens Media Group set up the WAN several years ago through AT&T to connect the various publications to the Las Vegas headquarters. The WAN still exists, but beginning about 2-3 years ago most of the local publications began provisioning their own telecommunications services.

5. Once the local publications moved away from the AT&T WAN, the Southwest Times began to obtain local and long distance voice and data from SBC. We did not bid this service out to various vendors, because I was familiar and happy with SBC's quality services, and because quality was the most important characteristic for me. However, both Sprint and ALLTEL provide services in my territory, and I could turn to them if I began experiencing problems with SBC.

6. I have absolutely no competitive concerns about the merger between SBC and AT&T. My past experiences with SBC have proven to me that SBC is an excellent company providing quality service at competitive rates. I do not believe the merger will change this in any way.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.



Gene Kincy  
Southwest Times



STATEMENT OF LARRY EBERT – CBC COMPANIES

I am the president of Credit Bureau Collection Services (CBCS). CBCS is a division of CBC Companies. CBC Companies owns various businesses specializing in:

- I. Real Estate Services
  - a. Mortgage reporting
  - b. Appraisals
  - c. Title work
  - d. Flood certifications and etc.
- II. Consumer Databases
  - a. TransUnion Affiliate
  - b. Experian Affiliate
  - c. Innovis
  - d. AmRent
- III. Direct Marketing Products
  - a. MKTG
- IV. Technical Applications and Software
  - a. ACAPS (Application Processing for Credit Grantors)
  - b. MACS (System used to process mortgage reports)
  - c. CBCWIN and CBCWEB (Credit delivery systems)
- V. CBCS (Collections and First Party call center activity)

As president of CBCS, I am responsible for collections and call center activity. I have been in this position for 3 years. I have been employed with CBC Companies for 29 years doing various jobs.

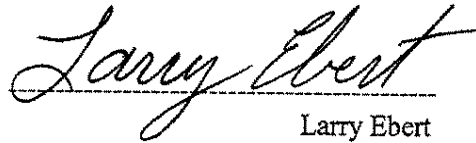
CBC has a variety of telecommunication needs. This includes our call centers' needs, as well as other customer requirements to access millions of consumer records from all over the United States. CBC has made multiple purchases and secured contracts with SBC. These include T1's, Centrex phone systems, Intra Latté long distance, PBX phone systems, OC-12, IVR system, and other miscellaneous products.

The majority of our telecom services, however, are provided by MCI. We also do business with Quest and Verizon. When we seek services for our call centers and other applications we call upon all of the big telecom providers to compete for our business. An example of the competition is: We recently issued a formal RFP for an IP system. An outside consultant handled the bidding process. I know that the RFP went out to a number

of providers, but it came down to MCI and SBC. The consulting company recommended that we go with MCI because of price and we did.

I have no concerns about the SBC and AT&T merger. I do not think that it is going to make a difference in our ability to get competitive bids. There are numerous competitors who continuously let us know they want our business.

I declare under penalty of perjury the foregoing is true and correct to the best of my knowledge.

  
Larry Ebert

**Mission Federal Credit Union – Gary Devan**

1. I am Gary M. Devan, the Senior Vice President for Enterprise Information Management for Mission Federal Credit Union. I am responsible for Mission Federal's networking and telecommunications decisions, including data and voice channels. I have been in this position for 12 years.

2. Mission Federal is a not-for-profit, member-owned, federally-chartered credit union located in San Diego County. We serve more than 130,000 member-owners in the San Diego community. We have 24 branches, in addition to a headquarters office and an operations center.

3. I am very much in favor of the proposed merger between SBC and AT&T. Prior to 2004, we used both companies for our telecommunications services, with AT&T providing long distance voice and SBC providing local services in addition to our metropolitan area data network. In 2004, AT&T showed little interest in keeping our business, which prompted our decision to move to SBC for those services. I believe this merger will create a broader and stronger network and allow us to gain advantages over our previous relationship with both companies, particularly with broadband long distance. Although we are presently located only in San Diego, we see on the horizon the possibility that we will expand our services outside of the San Diego region. We are increasingly finding it difficult to find cost-effective labor within San Diego, and thus we will potentially open up call-centers outside of San Diego County. The alignment of SBC and AT&T will give us more security in our ability to expand geographically in a seamless and cost-effective manner.

4. I feel very confident that competition is strong in the telecommunications marketplace. It was about six years ago when we went through our last RFP process and chose SBC. I recall that we went through an extensive review of several alternatives. We had a lot of options for service providers then, and I believe that we have just as many now, and even more when one considers the opportunities that cable, VoIP, and other new technologies have brought to the marketplace. We do consider these options when renewing our contracts with our current providers and feel assured that we have the opportunity to explore many alternatives. I therefore have no concerns about any type of non-competitive price increases.

5. Overall, I see this merger as a good opportunity for us to match our expected growth. I look forward to the benefits that the synergy between the two companies will bring, which includes broader networks as well as consolidating billing. In this regard, the merger will help us better serve our customers.

I declare under penalty of perjury the foregoing is true and correct to the best of my knowledge.



Gary M. Devan  
Senior Vice President, EIT  
Mission Federal Credit Union

Date:

5-6-2008

Executed at:

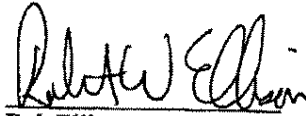
SAN DIEGO, CA.

**STATEMENT OF BOB ELLISON (GREGG APPLIANCES INC.)**

1. This is the statement of Bob Ellison, Chief Information Officer of Gregg Appliances Inc. Gregg Appliances is a billion dollar operation that manages high-end consumer electronics and appliance stores throughout Indiana, Ohio, Tennessee, Alabama, Georgia, Kentucky, North Carolina, and South Carolina.
2. SBC provides us with dedicated hosting, Internet connectivity, T1, and NVPN services throughout Gregg Appliances' areas of operation. SBC also provides local services to us in all the states in which it is the ILEC. A combination of AT&T and various mom and pop operators provide local voice services in the states in which SBC does not operate. Qwest provides all of our long distance and toll-free calling services.
2. The aforementioned companies won Gregg Appliances' business based on an RFP that the company sent out in May or June of 2004 for all services to be provided under a 36-month contract. MCI, Sprint, Qwest, and AT&T all competed for some or all of the services requested in the RFP. SBC won the data and local access service contracts because it had the best service plan and offered the package at a competitive price.
3. I believe that the merger between SBC and AT&T will be great for the industry and great for enterprise customers like Gregg Appliances. First, the two companies complement each other in the services and products they provide. SBC's core competencies are local service and hosting, while AT&T has the best data network and national voice service. The companies are a perfect fit for each other.

4. Second, Gregg Appliances, like most enterprise customers, prefers to work with one telecommunications vendor. This allows us to allocate our money effectively and increases our vendors' ability to respond through ownership of any issues, like the interconnectivity problems that frequently occur in connecting the last mile of communications.
5. Third, there will continue to be competition in the telecommunications industry, and this competition will come from both the firms discussed above and from non-traditional sources. For example, Gregg Appliances currently uses VoIP in its company headquarters and in about 20% of its remote facilities, which runs on Cisco's system.
6. Fourth, I believe that prices will continue to decrease after the merger. The last competitor will always force price competition. Right now, a carrier called Vonage runs its telecommunications over the Internet. It is 25% cheaper to use that than traditional voice services. Gregg Appliances has not switched yet because it is a big company and has some concerns about quality and reliability of a new solution. As the quality of the services improves, however, there will be nothing to prevent Gregg Appliances from switching to Vonage or any other low-price carrier, as many small businesses have done.
7. For all of these reasons, the merger is a good thing in my opinion. An integrated network will lead to reduced costs and better services, and competition will continue to exist.

I declare under penalty of perjury that the foregoing is true and correct. Executed  
on this 13 day of April, 2005 in Indianapolis, Indiana.

A handwritten signature in black ink, appearing to read "Bob Ellison", written over a horizontal line.

Bob Ellison  
Chief Information Officer  
Gregg Appliances Inc.

STATEMENT OF WILLIAM S. JOHNSON  
ORCO CONSTRUCTION SUPPLY

1. Since November 2003, I have been the Chief of Staff at ORCO Construction Supply. ORCO is a wholesale distributor of construction supplies, hardware, power tools, and accessories, with its headquarters in Livermore, California and twenty-one stores in California, Nevada, and Arizona.
2. When I came to ORCO in 2003, it was clear that among ORCO's pressing IT infrastructure issues that were important for the company to address was the fact that it used at least seven different vendors to supply its voice and data telecommunications needs. These vendors included XO Communications, which ORCO used for data connectivity (using point-to-point T1 lines) between its store locations and its California headquarters; SBC/Nevada Bell, which ORCO used for local voice service and "last-mile" data traffic in some locations in California and Nevada; Qwest/USWest, which it used for local access in Arizona; AT&T, which ORCO used for long-distance and 1-800 service; Sprint, which ORCO used on an incidental basis for long-distance service; and Verizon, which ORCO used for local access in Verizon territories in California.
3. The main problem involved in using this variety of vendors was that when an ORCO store lost telecommunications service – something that happens approximately 3-5 times per week across ORCO's locations – the different vendors would engage in finger-pointing. Indeed, it was difficult to figure out which vendor to contact and hold responsible for the problems causing outages, and consequently it was time-consuming to resolve the outages. The time taken to fix outages was a significant cost for ORCO.



4. In light of these problems, as well as to implement a new Avaya voice-over-IP solution and integrate voice and data services around IP, we decided to consider a new provisioning scenario under which we would consolidate our service as much as possible with a single provider. We considered SBC, MCI, Verizon, and others for this purpose, evaluating them based on two overriding criteria: First, we wanted a provider that would have good control over the local loop, because most of our outages occur in the last mile of service. Our newly engaged IT Director, Dan Hughes, was assigned to conduct this investigation and implement the most effective and efficient system.


5. Based on these considerations, ORCO selected SBC as its primary carrier, supplemented by provisioning from Verizon and Qwest outside SBC's region. (We will also continue to use XO at limited locations until we complete the implementation of our VoIP solution.) SBC has the best control of local facilities. Also, SBC appears to be located currently in those areas that we plan near-term expansion. Any impact of the AT&T acquisition by SBC was not considered, and is not presently deemed to have any bearing on our decision.

6. With respect to ORCO's expanded use of SBC for local service at stores within SBC territory, I am not concerned about SBC's acquisition of AT&T because the merger does not currently change the competitive situation in any significant respect. Although SBC is by far our preferred provider of local service, competition from other providers still keeps SBC honest.

7. Similarly, I do not feel currently threatened by SBC's acquisition of AT&T on the general ground that it might lead to the reassembly of "Ma Bell" in the pre-breakup days.

Our immediate concern is that ORCO has solutions – including, for example, VoIP, IP-based data solutions, and wireless capabilities – that enhances our competitiveness, reduces our costs, and provides competitive alternatives to a combined SBC/AT&T.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'William S. Johnson', is written over a horizontal line.

William S. Johnson  
Chief of Staff  
ORCO Construction Supply



*Success Through Partnership*

## STATEMENT OF MICHAEL MORAN – FREMONT BANK

1. My name is Michael Moran. I am the Chief Information Officer of Fremont Bank. My role is to provide oversight for all information technology strategic planning and operations for the company. I have been in my position for over fourteen years.

2. Fremont Bank is a community bank primarily based in the South San Francisco Bay area, including Alameda and Contra Costa Counties and some parts of San Jose. We have a branch in Carmel, and are beginning to stretch out into the Central Valley. We also have loan offices in Sacramento, San Diego, Bend, OR, Las Vegas, NV, and Scottsdale, AZ.

3. Our core telecommunications services are with SBC. This is by choice, as we have made a concerted effort over the last several years to consolidate billing and minimize the number of vendor relationships we need to manage.

4. I firmly believe we have options for our telecommunications solutions, and indeed we keep those options open by welcoming quotes from other providers. In the most recent past we have received quotes from companies new to the industry. For example Time Warner has laid extensive fiber throughout our region, and can offer equivalent data and voice services that we currently get from SBC. Comcast is also laying fiber. VoIP providers like Cisco and Skype abound. Fiber has become an effective way for businesses in our region to leverage their existing telecommunications services.






*Success through Partnership*

5. In this light, I do not believe that the proposed SBC and AT&T will result in an increase in pricing. The fight is really no longer about copper-based services, but about fiber and satellite infrastructures. The number of vendors out there that have appeared on the scene with fiber and Internet connectivity for VoIP should prevent any anticompetitive effect from this merger. If anything, you could make the argument that the newer players have the advantage. They have more mobility. They do not have to deal with the fiscal constraints of an extensive-copper, analog, non-switched legacy environment.

6. Overall, I think this merger puts the bank in a better position, as it gives SBC that many more arrows in its quiver that we can tap into. What it comes down to for us is the ability to leverage the services that our telecom provider can give us. I do not want to manage a number of different vendors. That only complicates our ability to secure seamless telecommunications solutions to serve our customers. I see SBC and AT&T as complementary companies. We have been happy with SBC's services, and we look favorably upon AT&T's broader network as we anticipate more expansion in the western states.

  
\_\_\_\_\_  
Michael Moran  
Vice President & Chief Information Officer  
Information Systems  
Fremont Bank

Date: 5/3/05

Executed at: 10:40 AM





Information Technology

11355 N. Torrey Pines Rd. La Jolla, CA 92037-1011

(858) 642-8145 [www.nu.edu](http://www.nu.edu)

May 4, 2005

National University, the second-largest private, nonprofit university in California, is dedicated to making lifelong learning opportunities accessible to a diverse population of learners. National University offers more than 62 undergraduate and graduate degrees, and 17 teacher credential and certificate programs. It also features a unique one-course-per-month format and extensive online courses and degree programs. Disciplines offered include business, technology, criminal justice, computers, education, human services, nursing, counseling, and arts and sciences.

I have been National University's Director of IT for eighteen months and am responsible for overseeing the technology resources of the University, including network, telephony, administrative systems, websites, email, some academic systems, Help Desk, desktop support, computer equipment in open labs and classrooms, and video conferencing.

I believe that the competitive marketplace for all of our telecommunications services is quite healthy. For example, prior to the merger proposed between AT&T and SBC, we re-bid our contract for long distance, for which the incumbent was AT&T, and we ultimately selected SBC as the new provider. While staff may have thought that we would of course choose SBC because they are our network provider, this was not the case. Numerous vendors offered their proposals through our RFP process. We reviewed each of these proposals in depth in order to make our decision, and found there was healthy competition.

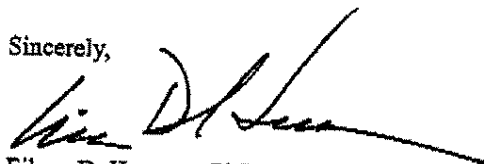
New technologies have opened up many opportunities for the University and we anticipate that our options will increase in the future. As an example, we now operate a converged network, for which all local access data lines are SBC ATM circuits. We have incorporated VoIP throughout the network for our inter-office communications. Our next benchmarking project will concern best practices for implementing wireless technologies across our enterprise, and currently, we are piloting SBC's wireless hotspot technology in two of our locations.

National University watches all mergers in the technology and telecommunications fields quite carefully. Fundamentally, we want to ensure that the quality of products and services we offer our customers does not decline. We hope and believe that consolidation will and can improve the quality of our telecommunications services, particularly with respect to our ability to seamlessly incorporate new technologies. I do not anticipate that the proposed merger between SBC and AT&T will adversely affect our services, as I expect that the combined company will keep on board the best and brightest to assist organizations like National University in implementing innovative and effective telecommunications solutions.

May 4, 2005

I declare under penalty of perjury the foregoing is true and correct to the best of my knowledge.

Sincerely,

A handwritten signature in black ink, appearing to read "Eileen D. Heveron", with a long horizontal flourish extending to the right.

Eileen D. Heveron, PhD  
Director, Information Technology

David Watts – Granite Construction



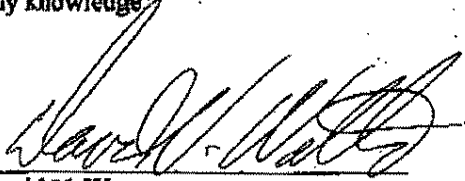
1. My name is David Watts. I am the Director of Information Technology for Granite Construction, Incorporated ("Granite"). Granite is in the business of heavy construction, and are best known nationwide for our major transportation projects including roads, highways, tunnels, bridges and airports. Granite also produces construction materials, including sand, gravel, ready-mix and asphalt concrete. We are predominately located in the western contiguous states (California, Utah and Nevada), with our headquarters in Watsonville, CA. However, we have locations throughout the country corresponding to the sites of our major projects and permanent offices of subsidiary companies. Granite operates through two divisions: the Branch Division which serves local markets in the western United States and the Heavy Construction Division, which builds larger jobs nationwide.
2. Granite is a decentralized entity in that our Branches and Regional Offices operate as individual profit centers. Each of our substantial project sites and office locations require data and voice services. As Director of IT, I oversee the telecommunications decisions involving our headquarters in Watsonville, CA as well as specific sites within the Branch Division. I also negotiate corporate agreements with vendors for a variety of telecommunications services that all of our locations have the option of joining.
3. Currently SBC provides most of the local voice and data services for our western locations (headquarters and Branch Division). Sprint is our primary long distance provider. Our project operations rely heavily on Nextel for cellular services, as they favor the push to talk technology.
4. Granite currently partitions out its telecommunications services into separate RFPs. However, I have increasingly found this piecemeal approach to be overly time-consuming on Granite's end and I believe it can be less advantageous from a quality of product and service point of view. Ideally, I would like to have one provider to cover Granite's entire, or at least 90% of Granite's, geographic footprint. I believe Granite would obtain more compatible services and, perhaps, get better pricing through bundling. However, Granite's past practice has been to not go with a single provider, based on my concern that the financial viability of the traditional telcos has been somewhat volatile over the last few years, but this is not ideal from my business point of view.
5. To the extent that consolidation in the marketplace will add stability back into the telco space, I think it is both necessary and positive in the interest of better serving national companies like Granite that are looking for efficient and seamless telecommunications solutions.
6. I believe that the proposed merger between SBC and AT&T would be positive for Granite. I see SBC and AT&T as complementary – with SBC providing mostly local services and AT&T long distance. Therefore, the combined entity would

Watsonville, CA 95077-5085  
Phone 831/724-1011  
FAX 831/722-9657

better enable us to leverage our economies of scale. I am also keeping a close eye on IP telephony and believe that the merger has the potential of providing us more opportunities in this regard.

7. The above represents my own personal viewpoint, belief and opinions and does not necessarily express the viewpoint, belief and opinion of Granite Construction Incorporated, its subsidiaries, Board of Directors, officers or any other employee.

I declare under penalty of perjury the foregoing is true and correct to the best of my knowledge.



David V. Watts  
Director of Information Technology  
Granite Construction Incorporated

Date:

5/05/05

Executed at: \_\_\_\_\_



SINCE 1966



*"You're Somebody Special"*

**Statement of Randy Dotemoto**

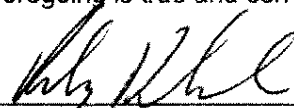
1. My name is Randy Dotemoto. I am Senior Vice President, Chief Financial Officer and General Manager of Nix Check Cashing. I have been with the company for nine years. I have responsibility for overseeing all of our telecommunications decisions. Nix Check Cashing, founded in 1966 is headquartered in Carson, California and has 59 retail stores throughout Southern California including kiosks inside major retailers such as Food 4 Less, Rite-Aid and Big!Lots.

2. We have traditional land lines for local and long distance voice for all of our locations. Long distance makes up a very small component of our telecommunication spend, as our primary use for it is to call financial institutions to verify checks. The bulk of our telecommunications spend is for data connectivity between our retail locations and main office and with vendor applications that are integrated with our point of sale system. We utilize frame relay, DSL and T1 lines for data connectivity. SBC is our primary provider for these telecommunications services, including long distance. We also use Cingular for our cellular service.

3. We are a midsize company, and we have proven that it is more cost-advantageous for us to go with a single provider that can offer a total package. Our prior long distance provider was MCI and we have reduced our long distance costs since switching our long distance service to SBC in June 2004. Moreover, our business is extremely dependent upon communications. We deal with financial and other sensitive identity information, which makes security and reliable data connectivity very important to us. We have redundant telecommunication systems that are all provided by SBC. It is essential to me to have one point of contact if a problem arises which provides accountability without the finger pointing that could likely occur if we had multiple providers.

4. I think that the planned merger between SBC and AT&T will be favorable to us. In particular, I believe that it will allow SBC to expand its service offerings, which I believe can then be incorporated into our total package at a better price. I think the merger will therefore have a positive impact on pricing and quality of service for our business. In addition, I do not believe this merger would reduce competition in the overall marketplace, as I believe that for the most part SBC and AT&T provide different services and there will still remain many players and options to choose from at all levels.

I declare under penalty of perjury the foregoing is true and correct to the best of my knowledge.

  
Randy Dotemoto

Date: May 5, 2005 Executed at: Carson, CA

STATEMENT OF ROB CATES  
(BALDOR ELECTRIC COMPANY)

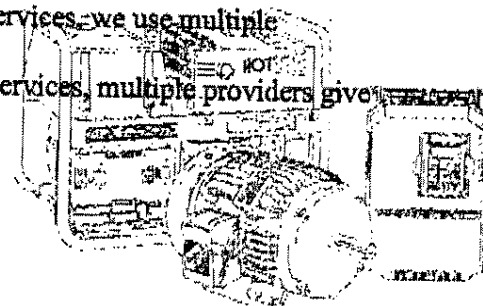
Baldor Electric Company  
5711 R.S. Boreham Jr. St.  
Fort Smith, AR 72901  
(479) 646-4711 FAX (479) 648-5841  
www.baldor.com

1. I am Systems and Operations Manager for Baldor Electric Company. Among other things, Baldor manufactures industrial electric motors and generators and has plants in twelve states and overseas. As Systems and Operations Manager, I am responsible for all voice and data telecommunications for Baldor, including local and long distance, computer, hardware, internet, and cellular services. I have been in my current position for approximately 4 years. In addition, for about seven years before that I was also involved in telecommunications contracting for Baldor.

2. Baldor currently spends between \$8,000 and \$10,000 monthly for voice (local and long distance), data (internet), and wireless telecommunications services. Our primary providers are MCI and SBC. We also use a number of other companies that are local to particular markets. In the past, Baldor also used AT&T.

3. The majority of Baldor's facilities participate in corporate-wide contracts. Some facilities, however, have their own contracts for local voice or other services. Either way, all contracting is managed through Baldor's corporate office.

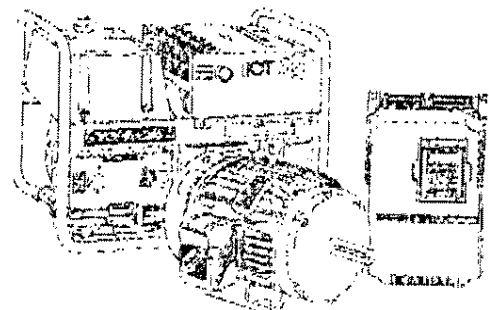
4. When Baldor has telecommunications needs, it typically uses an informal RFP process. We will contact established companies with strong business records which offer the services we need. Cost is a significant, but not the only, factor in our final selection. We use multiple providers for both voice and data services. For voice services, we use multiple providers because of the cost advantages of doing so. For data services, multiple providers give us necessary back-up protection.



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5. The telecommunications market is much more competitive today than it was five years ago. At that time, customers wanting reliable service only had a few choices. Today, that is no longer the case. Baldor believes that the current market for telecommunications services is very competitive in terms of the number of companies providing services, the range of services being provided, and cost. We have lots of options for meeting our needs. We do not believe the merger between AT&T and SBC will change this. Moreover, in general, mergers can result in benefits to customers both in terms of improved costs and services. I expect that will prove true in this instance for the reasons I have stated above.

  
Rob Cates  
Baldor Electric Company



Customer Care & Acquisition  
4301 Cambridge Road  
Fort Worth, TX 76155  
817-355-8200 phone  
817-355-8726 fax  
www.novo1.com

STATEMENT OF MITCHELL SWINDELL (NOVO 1, INC.)

1. I am Senior Vice President of Information Technology for NOVO 1, Inc., f.k.a. Call Solutions. NOVO 1 is a marketing and call center outsourcing company with offices in nine states and telecommunications activities that touch all fifty states. As Senior Vice President of Information Technology, I am responsible for all information technology infrastructure and telecommunications services for the company. In my present and prior positions at NOVO 1, I have been involved with the company's telecommunications since 1999.

2. NOVO 1 currently contracts for voice (long distance, local, and voice over internet protocol) and data telecommunications services. Annually, NOVO 1 spends millions of dollars for these services, about 80 percent of which is for voice services.

3. NOVO 1 uses an informal RFP process for selecting its telecommunications providers from multiple possible providers. In contracting for telecommunication services, NOVO 1 prefers using single source contracting for its primary needs because of economies of scale and reliability issues. Single-source contracting is not always possible or practical, however. For example, in some locations NOVO 1 uses multiple carriers due to legacy contracts held by companies we acquire. In other instances, customers sometimes require us to use particular telecommunications provider(s) in servicing their accounts, particularly for inbound calling purposes. Moreover, given the business we are in, we will use multiple sources to provide redundancy of service for diversity and disaster recovery purposes. As a result, NOVO

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1 has current relationships with a number of providers including AT&T, MCI, SBC, Qwest, and some of the Baby Bells, among others.

4. There is strong pricing competition in the telecommunications industry. It is our further experience that there is currently a sufficient level of competition in the market for the full range of telecommunication services. Moreover, we have found that there are a number of viable options to meet our needs. We believe this will continue to be the case following the merger of AT&T and SBC.

5. We believe that the merger of AT&T and SBC will create a number of benefits for customers: economies of scale savings; a larger organization to work on enhancements to existing technologies; and an increased range of service offerings.



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Mitchell Swindell  
NOVO 1, Inc.

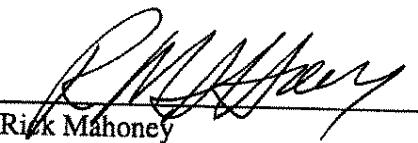
Statement of Rick Mahoney – Oak Street Mortgage

1. My name is Rick Mahoney, and I am Chief Information Officer for Oak Street Mortgage LLC (“Oak Street”), formerly known Cresleigh Bancorp. In this capacity I am responsible for selecting the telecommunications services and telecommunication providers for Oak Street. I have been with the company for three years.
2. Oak Street, a subsidiary of Oak Street Financial Services, helps borrowers in 27 states buy homes, refinance and consolidate debt. Oak Street is headquartered in Carmel, Indiana, and it has 25 retail outlets. Oak Street spends close to \$1.75MM annually on telecommunications services. AT&T Corp. (“AT&T”) provides most of these services, including local service where it is able to do so. Oak Street prefers to partner with one telecommunications provider in order to reduce vendor management costs. Oak Street also purchases local telephone services from local exchange carriers.
3. In my experience purchasing telecommunications services for Oak Street, I have found significant competition among telecommunications providers for our business. Competition has improved prices but better technology has also contributed to lower prices. However, lower prices have caused the telecommunications industry to lose the support characteristics it once had, as well as profitability.
4. I support the proposed acquisition of AT&T by SBC Communications, Inc. (“SBC”) because I believe it would allow the resulting company to leverage AT&T’s and SBC’s respective strengths. SBC’s strength is in providing local service but it lacks the “breadth and depth” to manage a national network. AT&T is not as good as SBC in providing local service but is good at managing a national network. In my view, the company

resulting from the merger would provide better value by permitting Oak Street to partner with a single company that can provide a wide range of services and support.

5. For all the reasons above, I support the proposed purchase of AT&T by SBC.

Dated: 4-22-05

  
Rick Mahoney



**DAIRY FARMERS of AMERICA**

April 29, 2005

Susan M. Mathews  
Sidley Austin Brown & Wood LLP  
555 California St.  
San Francisco, CA 94104

Dear Ms. Mathews,

I am the Vice President for Accounting and Information Systems for Dairy Farmers of America, Inc. (DFA). DFA is the largest dairy cooperative in the United States with locations in forty-nine of the fifty states, and eighty-seven locations on our data network.

DFA spent approximately \$1.76 million on data, long distance voice, local voice, and IP services with AT&T in 2004. DFA is mid-way through our current service contract with AT&T. At the time that we negotiated this contract, I compared the price, services, and technology offered by several other comparable suppliers. The three finalists for this contract were AT&T, Qwest and SBC. However, I do not believe that the merger between AT&T and SBC will limit DFA's options or result in an increase in future prices to DFA for many reasons.

Most importantly, I think that AT&T and SBC are not really offering the same services. Also they do not have the same capabilities. We ultimately chose AT&T for our long distance and data contract because I did not think that SBC made a convincing case that it could really provide the national reach and sophisticated data services that we knew were offered by AT&T. I think that the combined company will be able to offer us a better package of services with better prices. I think that the ability of companies to have a one-stop shop that offers all of the voice and data services that an organization needs through a single account service team is a big benefit for customers.

My own view is also that the telecom market will remain extremely competitive even with consolidation between local service providers and long distance providers. There are so many different technology options for consumers now such as VoIP and wireless, which phone companies will have to continue to compete with other types of companies. Also these advances are continuing to bring more efficiencies and better rates. For all of these reasons, I think that the proposed merger between AT&T and SBC is a positive development for DFA and for the telecom industry.

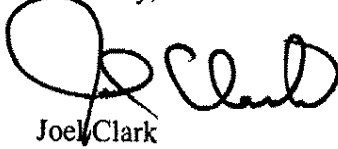


April 29, 2005

Page 2

I declare under penalty of perjury the foregoing is true and correct to the best of my knowledge.

Sincerely,

A handwritten signature in black ink, appearing to read 'Joel Clark', with a large, stylized initial 'J'.

Joel Clark  
Vice President – Accounting & Information Systems  
Dairy Farmers of America

Statement of Rod Masney – NIBCO

1. My name is Rod Masney, and I am Director of Information Technology for NIBCO INC (“NIBCO”). In this capacity I am responsible for selecting the telecommunications services and telecommunication providers for NIBCO. I have been with the company for nine years.
2. NIBCO is a privately-held, 101-year old company that manufactures flow control products, including fittings, valves, and support systems. NIBCO’s headquarters are in Elkhart, Indiana, and it has locations all over the United States, one in Mexico, and one in Europe. NIBCO spends close to \$1 million annually on telecommunications services. The lion’s share of this amount is for long-distance and data services purchased from AT&T Corp. (“AT&T”). AT&T is NIBCO’s preferred provider. NIBCO’s strategy is to partner with preferred providers because it believes that such relationships benefit both parties. In addition, NIBCO is too small to manage a large group of vendors. NIBCO also purchases local telephone services from local exchange carriers, and wireless/mobile services from other carriers.
3. In my experience purchasing telecommunications services for NIBCO, I have found significant competition among telecommunications providers for NIBCO’s business. NIBCO currently is in the middle of an RFP process for its voice and data business, and numerous telecommunications providers are seeking to provide these services to NIBCO. The price competition for all services subject to the RFP is fierce. In particular, for many services, including voice and managed

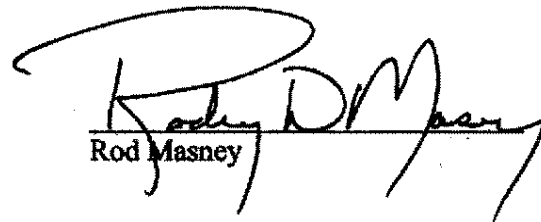
services, some providers are offering prices considerably below what NIBCO currently pays. Some offered prices are so low that I do not see how the providers can make any money.

4. For the reasons discussed below, I support the proposed acquisition of AT&T by SBC Communications, Inc. ("SBC"). In my view, an AT&T-SBC merger would be a good marriage. At the products and services level, each of the companies brings something to the table. AT&T has a strong global presence for voice and data services. SBC has a strong local presence for voice and data services, and also provides wireless services. NIBCO wants to partner with a company that can provide a wide range of services. In addition, from a resource perspective, there is great synergy between the two companies that will enable the combined company to take advantage of efficiencies and a favorable cost structure.
5. The telecommunications industry is in a consolidation mode. I think this is a good thing. The synergies of consolidation will create more predictable pricing and margin levels for providers. I have seen significant pricing pressure in the industry, to the point where some providers are offering prices that are unsustainable. In addition, the pricing pressure inevitably leads providers to offer lower service quality to meet their prices. I believe that the consolidation in the industry will cause market prices to stabilize, which will be good for providers as well as customers. Hopefully, stable prices will lead to better service quality.
6. Further, I believe that an AT&T-SBC marriage would be a positive thing because AT&T is an important partner for NIBCO, and I am concerned about AT&T's financial health and the losses that it continues to incur. NIBCO wants a partner

that is healthy and strong, and will continue to be around. I believe the merger will be beneficial in this regard.

7. For all the reasons above, I support the proposed purchase of AT&T by SBC.

Dated: April 15, 2005

  
Rod Masney

## STATEMENT OF DAVID CORWIN (YELLOW ROADWAY)

1. I am Vice President of Infrastructure Services for Yellow Roadway Technologies, a subsidiary of Yellow Roadway Corporation ("Yellow Roadway"). Yellow Roadway is a major provider of transportation services, including long- and short-haul, expedited, and logistical services. It has approximately 700 sites located throughout all 50 states and Mexico. Among other things, subsidiary Yellow Roadway Technologies supports the corporation as a whole with respect to contracting for its telecommunications services. In my capacity as Vice President, I am responsible for securing contracts for the majority of Yellow Roadway's telecommunications needs, including local, long distance, network, connectivity, and information technology for both voice and data.


2. Yellow Roadway's annual telecommunications budget is approximately \$15 million, excluding wireless. AT&T is our primary telecommunications provider but we also obtain services from MCI, SBC (local and data in a limited number of circuits), Verizon (wireless), and Bell South (local). Until recently, we additionally obtained services from Sprint.

3. When we have new telecommunications needs or have contracts that are expiring, we contact our current vendors and send out RFPs. Most recently, prior to renewing our contract with AT&T in March 2002, we sent out RFPs to a number of other companies including MCI, McCloud, Sprint, and SBC. SBC did not bid on the contract.

4. Yellow Roadway's approach to securing telecommunications services is increasingly to partner with large vendors who can fulfill as many of our needs as possible in a one-stop-shopping model. In that way, we can obtain the best possible pricing and operational efficiency. It is my perception that not many of the companies currently in the market can provide the entire breadth of capabilities in terms of types of services, quality of service, and

geographic scope that Yellow Roadway needs. Nevertheless, I believe that if Yellow Roadway wanted to divide its telecommunications contracts into component pieces, we would have a more than adequate number of viable alternative providers from which to choose.

5. Yellow Roadway is pleased with the AT&T and SBC merger. It has been our experience that the two companies offer different services. As a result, Yellow Roadway believes the merger will be of complementary, not competitive, services. The combined company will bring many strengths to the table, including a strong multi-service portfolio for companies to choose from. For customers wanting to have a single company provide all, or the majority, of their telecommunications services, the merger will be of significant benefit. For customers wanting to utilize multiple contracts, a sufficient number of viable alternatives will still exist.

  
\_\_\_\_\_  
David S. Corwin  
Yellow Roadway  
  
5/2/05  
\_\_\_\_\_  
Date

**Statement of Todd Thielbar – KCG, Inc.**

1. My name is Todd Thielbar. I am Information Technology Manager for KCG, Inc. KCG is primarily a distributor of drywall for the building industry. KCG has its corporate headquarters in Lenexa, Kansas, and maintains approximately 40 facilities throughout the United States.

2. I have been employed by KCG for approximately 10 years, and have held the position of IT Manager at KCG for the last 7 years. As IT Manager, I am responsible for overseeing KCG's entire network, information systems department, solutions development, and document imaging. These responsibilities include the procurement of telecommunications services and telecommunications systems for KCG.

3. KCG purchases local, long-distance, and data services from various telecom providers. KCG's 40 locations generally take local service from the main local service provider in their area (usually the local Bell Operating Company, although KCG's Florida locations purchase local service from Telcove, which is a reseller). KCG purchases all of its long-distance service, and most of its data services, from AT&T. KCG receives its remaining data services (the provision of data lines to 5 of KCG's 40 locations) from Lightedge. KCG purchases wireless service from a number of carriers, including Nextel, Cingular, T Mobile, Sprint, and Verizon Wireless.

4. KCG's total annual expenditures for long-distance service are approximately \$60,000, all of which are paid to AT&T. I would estimate that KCG's total annual expenditures for data services (including IP) are \$420,000, of which approximately 80 percent are paid to AT&T. KCG pays between \$360,000 and \$420,000 per year for wireless

service from its various providers. I do not have an estimate of KCG's expenditures for local service, because each of KCG's 40 locations individually orders such service from the main provider in their area.

5. For long-distance and data services, KCG selects a provider by soliciting bids from other carriers. KCG last solicited such bids about two years ago. The providers who submitted bids were AT&T, Sprint, MCI, and Lightedge. As KCG's IT Manager, I believed that all of these providers were capable of providing the long-distance and data services that we needed. Although I considered a number of factors in choosing KCG's provider (including price and quality of service), I ultimately selected AT&T, which offered the lowest price.

6. I still believe that Sprint, MCI, and Lightedge are viable competitive alternatives to AT&T as providers of long-distance and data services. I also consider Verizon, BellSouth, and Qwest as competitive alternatives to AT&T, because they can provide the same services that AT&T provides to KCG today.

7. As IT Manager, I have been contacted quite often by carriers seeking to provide for KCG the telecommunications services that AT&T currently provides. These carriers include, of course, the carriers who bid two years ago to provide such services (Sprint, MCI, and Lightedge). But I have also been contacted by other carriers who could provide these services, including (to the best of my recollection) Birch and Qwest.

8. KCG favors the proposed merger between SBC and AT&T. I believe that, if SBC and AT&T are permitted to combine their technology and the services that each of them provides, the merged SBC and AT&T will be able to offer a wider range of products and services




to customers. In addition, I believe that the merged SBC and AT&T would be able to develop and offer new, and improved, products and services.

9. In addition, the merger would produce, for KCG, the major benefit of consolidated billing. By receiving a single bill, rather than two bills, for the various services provided by SBC and AT&T KCG will be able to save administrative costs.

10. KCG has no concerns about the merger. Even after the merger occurs, KCG will still have a number of competitive alternatives available for the provision of the services that AT&T is currently providing. Furthermore, the merger will produce benefits for KCG that do not exist today.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

  
Todd Thielbar  
KCG, Inc.